



General Assembly

January Session, 2015

## ***Amendment***

LCO No. 9109



Offered by:

REP. FRITZ, 90<sup>th</sup> Dist.  
REP. BOUKUS, 22<sup>nd</sup> Dist.  
REP. CANDELORA, 86<sup>th</sup> Dist.  
REP. ZUPKUS, 89<sup>th</sup> Dist.  
REP. GODFREY, 110<sup>th</sup> Dist.  
REP. GIEGLER, 138<sup>th</sup> Dist.  
REP. ARCONTI, 109<sup>th</sup> Dist.  
REP. ZONI, 81<sup>st</sup> Dist.  
REP. ABERCROMBIE, 83<sup>rd</sup> Dist.  
REP. SANTIAGO, 84<sup>th</sup> Dist.  
REP. ARESIMOWICZ, 30<sup>th</sup> Dist.

REP. BERGER, 73<sup>rd</sup> Dist.  
REP. ALTOBELLO, 82<sup>nd</sup> Dist.  
REP. SAMPSON, 80<sup>th</sup> Dist.  
REP. JANOWSKI, 56<sup>th</sup> Dist.  
SEN. FASANO, 34<sup>th</sup> Dist.  
SEN. HARTLEY, 15<sup>th</sup> Dist.  
SEN. BARTOLOMEO, 13<sup>th</sup> Dist.  
SEN. MCLACHLAN, 24<sup>th</sup> Dist.  
SEN. CASSANO, 4<sup>th</sup> Dist.  
SEN. MARKLEY, 16<sup>th</sup> Dist.

To: Subst. House Bill No. 5291

File No. 566

Cal. No. 356

### ***"AN ACT CONCERNING REIMBURSEMENT FOR MUNICIPAL PHOSPHOROUS ABATEMENT PROJECTS."***

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Subsection (c) of section 22a-478 of the general statutes is  
4 repealed and the following is substituted in lieu thereof (*Effective from*  
5 *passage*):

6 (c) The funding of an eligible water quality project shall be pursuant

7 to a project funding agreement between the state, acting by and  
8 through the commissioner, and the municipality undertaking such  
9 project and shall be evidenced by a project fund obligation or grant  
10 account loan obligation, or both, or an interim funding obligation of  
11 such municipality issued in accordance with section 22a-479. A project  
12 funding agreement shall be in a form prescribed by the commissioner.  
13 Eligible water quality projects shall be funded as follows:

14 (1) A nonpoint source pollution abatement project shall receive a  
15 project grant of seventy-five per cent of the cost of the project  
16 determined to be eligible by the commissioner.

17 (2) A combined sewer project shall receive (A) a project grant of fifty  
18 per cent of the cost of the project, and (B) a loan for the remainder of  
19 the costs of the project, not exceeding one hundred per cent of the  
20 eligible water quality project costs.

21 (3) A construction contract eligible for financing awarded by a  
22 municipality on or after July 1, 2012, as a project undertaken for  
23 nutrient removal shall receive a project grant of thirty per cent of the  
24 cost of the project associated with nutrient removal, a twenty per cent  
25 grant for the balance of the cost of the project not related to nutrient  
26 removal, and a loan for the remainder of the costs of the project, not  
27 exceeding one hundred per cent of the eligible water quality project  
28 costs. Nutrient removal projects under design or construction on July  
29 1, 2012, and projects that have been constructed but have not received  
30 permanent, Clean Water Fund financing, on July 1, 2012, shall be  
31 eligible to receive a project grant of thirty per cent of the cost of the  
32 project associated with nutrient removal, a twenty per cent grant for  
33 the balance of the cost of the project not related to nutrient removal,  
34 and a loan for the remainder of the costs of the project, not exceeding  
35 one hundred per cent of the eligible water quality project costs.

36 (4) If supplemental federal grant funds are available for Clean Water  
37 Fund projects specifically related to the clean-up of Long Island Sound  
38 that are funded on or after July 1, 2012, a distressed municipality, as

39 defined in section 32-9p, may receive a combination of state and  
40 federal grants in an amount not to exceed fifty per cent of the cost of  
41 the project associated with nutrient removal, a twenty per cent grant  
42 for the balance of the cost of the project not related to nutrient removal,  
43 and a loan for the remainder of the costs of the project, not exceeding  
44 one hundred per cent of the allowable water quality project costs.

45 (5) A municipality with a water pollution control project, the  
46 construction of which began on or after July 1, 2003, which has (A) a  
47 population of five thousand or less, or (B) a population of greater than  
48 five thousand which has a discrete area containing a population of less  
49 than five thousand that is not contiguous with the existing sewerage  
50 system, shall be eligible to receive a grant in the amount of twenty-five  
51 per cent of the design and construction phase of eligible project costs,  
52 and a loan for the remainder of the costs of the project, not exceeding  
53 one hundred per cent of the eligible water quality project costs.

54 (6) [Any contract entered into by a municipality on or before July 1,  
55 2018, that is eligible for financing as a project undertaken for  
56 phosphorus removal to at or below two-tenths milligrams per liter  
57 effluent discharge, shall receive (A) a project grant of fifty per cent of  
58 the cost of the project associated with such phosphorus removal, (B)  
59 except as provided in subdivision (3) of this subsection, a twenty per  
60 cent grant for the balance of the cost of the project, and (C) a loan for  
61 the remainder of the costs of the project, not exceeding one hundred  
62 per cent of the eligible water quality project costs. In providing  
63 funding under this subdivision, the commissioner shall give priority,  
64 first to projects with the lowest permitted limit of phosphorus  
65 discharge as contained in a valid discharge permit issued pursuant to  
66 section 22a-430, and then to those that remove the greatest amount of  
67 phosphorus, as measured in pounds per year.] (A) Any contract  
68 entered into separately by the city of Waterbury and the towns of  
69 Southington and Cheshire on or before July 1, 2018, that is eligible for  
70 financing as a project undertaken for phosphorous removal to at or  
71 below one quarter of a milligram per liter effluent discharge, as

72 calculated by dividing the proposed permit load, measured in per  
73 pounds per day, by the current average flow, as contained in the  
74 Department of Energy and Environmental Protection's Interim  
75 Phosphorous Reduction Strategy for Connecticut Freshwater Non-  
76 Tidal Waste-Receiving Rivers and Streams Technical Support  
77 Document, and dividing such resultant by 8.34 for purposes of  
78 converting from pounds per day to milligrams per liter shall each  
79 receive, (i) for the city of Waterbury and the town of Southington, a  
80 project grant of fifty per cent of the cost of the project associated with  
81 such phosphorous removal and for the town of Cheshire, a project  
82 grant of thirty per cent of the cost of the project associated with such  
83 phosphorous removal, (ii) except as provided in subdivision (3) of this  
84 subsection, a twenty per cent grant for the balance of the cost of the  
85 project, and (iii) a loan for the remainder of the costs of the project, not  
86 exceeding one hundred per cent of the eligible water quality project  
87 costs. The commissioner shall extend the phosphorous compliance  
88 timeframes included in any discharge permit that is in effect as of the  
89 effective date of this section and that was issued pursuant to section  
90 22a-430 to said cities and towns. Any such extension shall be for the  
91 requisite period of time to enable said cities and towns to complete any  
92 such project and shall not result in any additional fee for said permit.

93 (B) Any contract entered into separately by the cities of Bristol and  
94 Danbury and the towns of Wallingford, Plainville and Manchester on  
95 or after July 1, 2019, but prior to June 30, 2021, that is eligible for  
96 financing as a project undertaken for phosphorous removal to at or  
97 below one quarter of a milligram per liter effluent discharge, as  
98 calculated by dividing the proposed permit load, measured in per  
99 pounds per day, by the current average flow, as contained in the  
100 Department of Energy and Environmental Protection's Interim  
101 Phosphorous Reduction Strategy for Connecticut Freshwater Non-  
102 Tidal Waste-Receiving Rivers and Streams Technical Support  
103 Document, and dividing such resultant by 8.34 for purposes of  
104 converting from pounds per day to milligrams per liter shall each  
105 receive, (i) for the cities of Bristol and Danbury, a project grant of fifty

106 per cent of the cost of the project associated with such phosphorous  
107 removal and for the towns of Wallingford, Plainville and Manchester,  
108 a project grant of thirty per cent of the cost of the project associated  
109 with such phosphorous removal, (ii) except as provided in subdivision  
110 (3) of this subsection, a twenty per cent grant for the balance of the cost  
111 of the project, and (iii) a loan for the remainder of the costs of the  
112 project, not exceeding one hundred per cent of the eligible water  
113 quality project costs. The commissioner shall extend the phosphorous  
114 compliance timeframes included in any discharge permit that is in  
115 effect as of the effective date of this section and that was issued  
116 pursuant to section 22a-430 to said city and towns. Any such extension  
117 shall be for the requisite period of time to enable said city and towns to  
118 complete any such project and shall not result in any additional fee for  
119 said permit.

120 (C) Any contract entered into separately by the city of Meriden and  
121 the towns of Ridgefield and New Canaan on or after July 1, 2019, but  
122 prior to June 30, 2023, that is eligible for financing as a project  
123 undertaken for phosphorous removal to at or below one quarter of a  
124 milligram per liter effluent discharge, as calculated by dividing the  
125 proposed permit load, measured in per pounds per day, by the current  
126 average flow, as contained in the Department of Energy and  
127 Environmental Protection's Interim Phosphorous Reduction Strategy  
128 for Connecticut Freshwater Non-Tidal Waste-Receiving Rivers and  
129 Streams Technical Support Document, and dividing such resultant by  
130 8.34 for purposes of converting from pounds per day to milligrams per  
131 liter shall each receive, (i) for the city of Meriden and the town of  
132 Ridgefield, a project grant of fifty per cent of the cost of the project  
133 associated with such phosphorous removal and for the town of New  
134 Canaan, a project grant of thirty per cent of the cost of the project  
135 associated with such phosphorous removal, (ii) except as provided in  
136 subdivision (3) of this subsection, a twenty per cent grant for the  
137 balance of the cost of the project, and (iii) a loan for the remainder of  
138 the costs of the project, not exceeding one hundred per cent of the  
139 eligible water quality project costs. The commissioner shall extend the

140 phosphorous compliance timeframes included in any discharge permit  
141 that is in effect as of the effective date of this section and that was  
142 issued pursuant to section 22a-430 to said city and towns. Any such  
143 extension shall be for the requisite period of time to enable said city  
144 and towns to complete any such project and shall not result in any  
145 additional fee for said permit.

146 (7) A municipality with a 2012 population of not less than forty  
147 thousand but not more than forty-two thousand with a municipal  
148 sewerage system that provides a regional sewerage treatment capacity  
149 to not less than five abutting communities, each with 2012 populations  
150 of less than five thousand, shall receive funding levels consistent with  
151 subdivisions (1) to (6), inclusive, of this subsection plus an additional  
152 five per cent for the design and construction phase costs of an eligible  
153 water quality project and a loan for the remainder of the costs of such  
154 eligible water quality project, provided such loan shall not exceed one  
155 hundred per cent of the costs of such eligible water project.

156 (8) Any other eligible water quality project shall receive (A) a project  
157 grant of twenty per cent of the eligible cost, and (B) a loan for the  
158 remainder of the costs of the project, not exceeding one hundred per  
159 cent of the eligible project cost.

160 (9) Project agreements to fund eligible project costs with grants from  
161 the Clean Water Fund that were executed during or after the fiscal year  
162 beginning July 1, 2003, shall not be reduced according to the provisions  
163 of the regulations adopted under section 22a-482.

164 (10) On or after July 1, 2002, an eligible water quality project that  
165 exclusively addresses sewer collection and conveyance system  
166 improvements may receive a loan for one hundred per cent of the  
167 eligible costs provided such project does not receive a project grant.  
168 Any such sewer collection and conveyance system improvement  
169 project shall be rated, ranked, and funded separately from other water  
170 pollution control projects and shall be considered only if it is highly  
171 consistent with the state's conservation and development plan, or is

172 primarily needed as the most cost effective solution to an existing area-  
173 wide pollution problem and incorporates minimal capacity for growth.

174 (11) All loans made in accordance with the provisions of this section  
175 for an eligible water quality project shall bear an interest rate of two  
176 per cent per annum. The commissioner may allow any project fund  
177 obligation, grant account loan obligation or interim funding obligation  
178 for an eligible water quality project to be repaid by a borrowing  
179 municipality prior to maturity without penalty.

180 Sec. 2. Section 22a-428a of the general statutes is repealed and the  
181 following is substituted in lieu thereof (*Effective from passage*):

182 The Commissioner of Energy and Environmental Protection, or the  
183 commissioner's designee and the chief elected officials of the cities of  
184 Danbury, Meriden and Waterbury and the towns of Cheshire,  
185 Manchester, Plainville, Southington and Wallingford, and the chief  
186 elected official of any other municipality impacted by the state-wide  
187 strategy to reduce phosphorus, or such chief elected officials'  
188 designees, shall collaboratively evaluate and make recommendations  
189 regarding a state-wide strategy to reduce phosphorus loading in  
190 inland nontidal waters in order to comply with standards established  
191 by the United States Environmental Protection Agency. Such  
192 evaluation and recommendations shall include (1) a state-wide  
193 response to address phosphorus nonpoint source pollution, (2)  
194 approaches for municipalities to use in order to comply with standards  
195 established by the United States Environmental Protection Agency for  
196 phosphorus, including guidance for treatment and potential plant  
197 upgrades, and (3) the proper scientific methods by which to measure  
198 current phosphorus levels in inland nontidal waters and to make  
199 future projections of phosphorus levels in such waters. The  
200 commissioner shall submit a report on or before October 1, 2014, in  
201 accordance with the provisions of section 11-4a, to the joint standing  
202 committees of the General Assembly having cognizance of matters  
203 relating to municipalities and the environment. Such report shall set  
204 forth the recommendations required pursuant to subdivisions (1), (2)

205 and (3) of this section and detail the collaborative effort through which  
206 such recommendations were reached."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	22a-478(c)
Sec. 2	<i>from passage</i>	22a-428a